



**1-800-QUIT-NOW**  
1-800-784-8669

## Coverage for Tobacco Use Cessation Treatments

**QuitlineNC at 1-800-QUIT-NOW (1-800-784-8669)** is a resource for employers and health plans that provides expert quit coaching in multiple languages for all North Carolina tobacco users from 8 a.m. until 3 a.m., 7 days a week.

### What is the Experience of Companies Providing this Benefit?

Businesses that have included a tobacco cessation benefit report that this coverage has increased the number of smokers willing to undergo treatment and has increased the percentage that successfully quit.<sup>11,13</sup>

### How Should Benefits Be Designed?

Both the Public Health Service-sponsored Clinical Practice Guidelines, *Treating Tobacco Use and Dependence*, and the Community Preventive Services Task Force recommends that all insurers provide tobacco cessation benefits that do the following:

- ⇒ Pay for counseling and medications, together or separately.<sup>3</sup>
- ⇒ Cover at least four counseling sessions of at least 30 minutes each, including pro-active telephone counseling and individual counseling. While classes are also effective, few smokers attend them.<sup>7</sup>

⇒ Cover both prescription and over-the-counter nicotine replacement medications (patch, gum, lozenge, inhaler, nasal spray), bupropion, and varenicline.<sup>3</sup>

⇒ Provide counseling and medication coverage for at least two smoking cessation attempts per year.<sup>8,9</sup>

⇒ Eliminate or minimize co-pays or deductibles for counseling and medications, as even small copayments reduce the use of proven treatments.<sup>10,7</sup>

### Are There Other Activities that Encourage Workers to Quit?

The Community Preventive Services Task Force recommends worksite-based incentives and competitions to reduce tobacco use among workers. Rewards to individual workers and to teams as a motivation to participate in a cessation program or effort.

- ⇒ Rewards can be provided for participation, for success in quitting, or for both.
- ⇒ Types of rewards may include financial payments, lottery chances for monetary or other prizes, and return of self-imposed payroll withholdings.<sup>18</sup>

### How Tobacco Cessation Cuts Cost

Over time, tobacco-use cessation benefits generate financial revenues for employers in four ways:

- ✓ Reduced health care costs<sup>2, 14</sup>
- ✓ Reduced absenteeism<sup>2,15,16</sup>
- ✓ Increased on-the-job productivity<sup>2,15,16</sup>
- ✓ Reduced life insurance costs<sup>2,15</sup>

Benefits realized more immediately include:

- ✓ Increases in employee productivity<sup>2,16</sup>
- ✓ Reductions in smoking-attributed neonatal health care costs<sup>12</sup>

Employers who provide a smoke-free workplace may also realize savings on fire insurance and costs related to items such as ventilation services and property repair and upkeep.<sup>2,15</sup>

## How Much Do Cessation Benefits Cost? Are They Cost-Effective?

Tobacco cessation is more cost-effective than other common and covered disease prevention interventions, such as the treatment of hypertension and high blood cholesterol.<sup>4</sup>

Cost analyses have shown tobacco cessation benefits to be either cost-saving or cost-neutral.<sup>2,8</sup> Overall, cost/expenditure to employers equalizes at three years; benefits exceed costs by year five.<sup>2</sup>

Costs for comprehensive tobacco cessation benefits are between 10 and 40 cents per member per month (costs vary based on

utilization and dependent coverage).<sup>7,11</sup> In contrast, the annual cost to the employer of tobacco use is about **\$3,283 per year** in medical costs, plus lost productivity.<sup>1</sup>

**Tobacco ROI Calculator:** [www.businesscaseroi.org](http://www.businesscaseroi.org)

## Does Health Care Reform Change how Tobacco Cessation is Covered?

As of September 23, 2010, new health plans in which an individual has enrolled since March 2010 are required to cover tobacco cessation counseling and medications with no co-pay or deductible. As of October 1, 2010, all state Medicaid programs are required to cover cessation benefits for pregnant women with no cost-sharing.<sup>17</sup>



## Sources

**NOTE:** Smokers are more likely to use telephone counseling than to participate in individual or group counseling sessions.<sup>5,6</sup>

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